GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:6791
ANSWERED ON:10.05.2002
GOVERNMENT CASH OF LIC
RAVINDRA KUMAR PANDEY

Will the Minister of FINANCE be pleased to state:

(a) the existing norms to deposit Government cash of LIC companies in Banks;

(b) whether there is any provision to deposit Government cash of LIC without taking security;

(c) if so, the details thereof; and

(d) if so, the steps taken by the Government to prevent such practices?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a): The Life Insurance Corporation of India (LIC) has informed that they have laid down certain guidelines and cash limits for carrying premium collections to the banks. These guidelines are strictly adhered to by all branch offices of the Corporation.

(b,c & d): The Life Insurance Corporation of India (LIC) has informed that they have special arrangement to deploy Officer/higher grade assistant/sr. assistant/cashier to accompany the sub-staff carrying the cash to the bank when the cash exceeds the prescribed limits. In places where the law and order situation is unsatisfactory, the Branch Manager/Senior DM/Manager (F&A) engage the services of external security services with the approval of the Zonal Manager for depositing cash in the bank.